

# Gregory A. Serres

## United States Attorney Southern District of Texas

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### **GREG SERRES NAMED INTERIM UNITED STATES ATTORNEY**

Attorney General John Ashcroft appointed Gregory A. Serres as United States Attorney for the Southern District of Texas. The appointment of Serres was announced May 31, 2001, the effective date of former U.S. Attorney Mervyn M. Mosbacher's resignation. The Attorney General's appointment of a United States Attorney was made pending a Presidential appointment for the position. Attorney General Ashcroft's announcement stated that as United States Attorney, Serres will assume full responsibilities of the Office which include prosecuting those who violate Federal law, coordinating multiple-agency investigations, and representing the interests of the United States in civil proceedings in the district.

Serres, 39, is a career prosecutor who has served for the past three years as First Assistant U.S. Attorney for the district. Serres was born in Houston, and attended Texas A & M University as a National Merit Scholar and recipient of a Lechner Fellowship. After graduating with a B.B.A. in accounting, he attended Baylor University Law School graduating with a J.D. in 1986.

In 1987, Serres began his career as a prosecutor with the Harris County District Attorney's Office where his case responsibilities ranged from misdemeanors to capital murder. Serres joined the U.S. Department of Justice as an Assistant U.S. Attorney, Southern District of Texas in 1992. He was assigned to the Special Prosecutions Division and was named chief of the division in 1995. In January 1998, Serres was promoted to First Assistant United States Attorney.



### **OPERATION NIGHT RIDER - IMMIGRANT SMUGGLING**

A one-year undercover investigation identified nine major criminal smuggling organizations and resulted in the arrest and successful prosecution of 21 defendants. The 21 defendants were arrested in the Houston area and along the Southwest border. The investigation was dubbed "Night Rider" because most of the smugglers transported the immigrants by vans at night. The nine criminal smuggling organizations were responsible for smuggling over 8,000 aliens. The smugglers housed the aliens in "drop-houses" until family members could pay their fees ranging between \$800 to \$3,500. AUSA: Jack Frels; AGENCIES: INS & Border Patrol.

### **RENT-A-BABY DEFENDANTS RECEIVE 5 YEARS**

Nobelda Cabrera and her sister, Leda, were each sentenced to 5 years for recruiting and paying parents to rent their infant children to alien smugglers. The smuggling organization would provide illegal immigrants coming into the U.S. with an infant for an extra fee. The conspiracy first came to light in 1999 when two undocumented aliens posing as husband and wife were apprehended by the Border Patrol as they entered the U. S. at Brownsville. The couple were carrying an infant provided by a smuggler in Houston on the theory that if the couple were apprehended, they could take advantage of a Border Patrol practice of releasing the aliens as a family unit rather than detaining a couple with an infant. AUSA: Doug Davis; AGENCY: INS.

## CONSOLIDATED SMUGGLING

Investigations into narcotics and alien smuggling converged and led to the arrest of twelve people. DEA and INS investigators discovered evidence that led to the identification of smuggling organizations operating from Encinal. In addition to smuggling aliens, some members of the organizations conspired to smuggle marijuana and cocaine. AUSA: Mary Lou Castillo.

## FAMILY BUSINESS LEADS TO LIFE SENTENCES

Pedro,  
Eduardo,  
Cesar,

Lazaro and Luis Moreno along with Toribio Fernandez of Zapata, will be spending the rest of their lives in federal prison. The life sentences were imposed on the Moreno brothers and Fernandez on their conviction for operating a drug and money laundering organization that investigators say generated over \$100 million from marijuana trafficking. Investigation by special agents and investigators of the DEA, IRS, Harris County Sheriff's Department, HPD and DPS worked together to dismantle the Moreno-Riojas organization which distributed to marijuana suppliers in Chicago, Atlanta, Baltimore, Pennsylvania, Florida, Arkansas, South Carolina, North Carolina and Ohio. AUSAs: Judith Lombardino and James Powers.

## THE IMPORTANCE OF A CHECK LIST

Jesus Mendoza spent time preparing for the crossing from Mexico into the U.S. at the International Bridge in Laredo. He had over 59 pounds of heroin to take across. That amount of heroin would bring about \$2 million in retail in the United States. He packaged the heroin in neat bundles and carefully concealed each package in his truck. When he finished preparing his contraband load within legitimate cargo, he crossed the bridge and pulled his truck into the inspection lanes on the U.S. side. He passed through without incident. Mendoza had just cleared the dreaded Customs inspection at the bridge when things started to unravel. His truck was out of gas.

**ORGANIZED CRIME DRUG  
ENFORCEMENT TASK FORCE  
(OCDETF)** is one of the oldest and  
most successful working group of  
local state and Federal investigative  
agencies whose mission is to  
dismantle major drug organizations.

There was a station nearby so he pulled out of the traffic lane while he ran to get a can of gas. When Mendoza returned with the gas can he was met by a Customs Canine Enforcement Officer. Mendoza had parked his truck right next to the kennels where the Customs drug-detection dogs were kept. The Customs Officer brought one of the dogs out for a closer smell. The dog's alert led to an x-ray of Mendoza's truck which revealed his well concealed bundles. Mendoza was sentenced to 10 years in federal prison. AUSA: Dixie Morrow.

## YSQUIERDO FAMILY BUSINESS SHUT DOWN

A joint investigation by DEA, IRS, DPS, the Alvin, Galveston, Brownsville and Corpus Christi Police Departments and the Nueces County Sheriff resulted in the conviction of seven members of a marijuana trafficking ring responsible for smuggling tons of marijuana. Evidence showed that the Ysquierdo family organization transported over 50 tons of marijuana and over \$15 million in bulk U.S. currency. The ring used semi-tanker trailers to transport the marijuana and currency between South Texas and Atlanta, Chicago, and Louisville. The seven defendants received prison terms ranging from 55 to 95 months, and forfeited two residential properties located in Alvin and Mission. The court found that these properties were used to facilitate the drug trafficking. AUSA: Patti Booth.

## E-FRAUD: BEANIE BABIES TO FORD MUSTANGS

An indictment charges three Madisonville residents with fraud in purporting to offer Beanie Babies, Sega and Dreamcast Video Games for sale on an Internet auction site. The indictment alleges that the defendants took in \$20,000 from 300 victims in the U. S., Canada and Japan when none of the defendants had any of the items offered for sale. AUSA: Richard Berry; AGENCY: FBI, Bryan office and the College Station Police Department.

In a separate indictment, two Florida residents are charged with wire fraud for false representations made in the sale of classic Ford Mustangs over the Internet. The indictment accuses these defendants of receiving money from purchasers who never received the automobiles. According to the indictment, defendants operated a company known as Ears & Gears Restoration, Inc., and marketed classic Mustangs through a website and an Internet auction website. AUSA: Cedric Joubert; AGENCY: FBI.

### **FIFTEEN CONVICTED IN MORTGAGE FRAUD SCHEME**

Frank Domenic Mei, and his three sons Kevin, Daniel, and Frank Jr., entered guilty pleas to charges relating to defrauding banks out of single-family home mortgage loan proceeds. The indictment charged that the Meis conspired with appraisers and loan officers to defraud lenders out of \$30 million by falsifying the value of houses and identities of borrowers. The conspirators located houses listed for sale, obtained fraudulent appraisals inflating the value of the houses by \$100,000, and applied for mortgage loans in the names of straw borrowers. The defendants face up to 10 years in prison and fines up to \$250,000. These pleas make a total of fifteen people convicted of money laundering or fraud in connection with this home mortgage scheme. One defendant is awaiting trial. AUSA: Mary Jane Harmon & Daniel Rodriguez; AGENCIES: HUD-OIG, IRS, FBI.

### **TAKE TWO ASPIRINS, AND SIGN HERE**

An indictment charges five with a scheme to defraud insurance company health benefit plans. According to the indictment, two undercover investigators were referred to Spectrum Medical Clinic and then sent to Houston MedCare and were instructed to complete paperwork for services that they never received. The defendants face charges relating to fraud in insurance claims by persons who sustain physical injuries in automobile accidents. The indictment alleges that a doctor operated two Houston clinics specializing in physical therapy related to automobile accidents, and billed for physician evaluations that he did not perform. AUSA: Amy M. Lecocq; AGENCIES: FBI & HHS-OIG

### **I AM FROM, UH, WISCONSIN**

Jesus Armando Cázares was employed as a contract computer specialist by the Texas Bureau of Vital Statistics in Laredo in 1997. He began creating false birth certificates and selling them to Mexican citizens. In 2001, an FBI investigation found that Cázares produced seven false Wisconsin birth certificates using equipment in the computer services company which he operated out of his home. Cázares was ordered to forfeit the cash proceeds of his illegal activity and the computer equipment he used. AUSA: Dixie Morrow.

## **TEXAS★EXILE**

### **GUN CRIME MEANS HARD TIME NO PROBATION. NO PAROLE.**

Marcus Williams received 57 months on his conviction as a felon in possession of a weapon. Williams was stopped for a traffic violation by an HPD Officer who found that he was wanted on a State parole warrant, and had two outstanding Harris County warrants. More interesting, however, was the loaded pistol found protruding from under the driver's seat of his car. Williams was a convicted felon having received a six-year sentence for Engaging in Organized Crime.

James Taylor was sentenced to 110 months in Federal prison on his conviction as a felon in possession of a firearm. HPD officers were responding to information concerning drug dealing at a residence. When the officers approached the residence, they saw Taylor crouch behind a vehicle and toss a firearm and a small bag. The officers recovered the firearm, a 9 mm pistol, as well as the bag containing marijuana and cocaine. Taylor has five prior State felony convictions in Texas and Arkansas, and was on parole and probation.

Kenneth Charles Harrell, 21, of Houston was sentenced to 10 years. Harrell was arrested by HPD officers as he attempted to conceal a loaded pistol under the passenger seat. Joey Anderson was in the driver's seat with a Smith & Wesson .40 caliber pistol in his lap. Police also found crack cocaine packaged for retail sales in the car. Harrell has a prior felony drug conviction.

These matters were investigated by a combined effort of ATF and HPD as part of the Texas Exile Initiative. AUSA : Ashley Chapman.



# ***Cultivating Drug-Free Neighborhoods in Texas***



A second Weed & Seed learning center in Houston opened its doors on April 23rd. The center expands the SEEDTECH computer literacy classes currently taught at the Gulfton Community Learning Center on Renwick. Both centers offer computer classes in English and Spanish. Both centers are the only SEEDTECH sites in the U.S. using a bilingual curriculum. Currently 96 students are enrolled at the new center. The program has been successful in the number of students completing the classes, and in the positive response from the community. The graduates often return to the center as volunteer teachers.



Brownsville Weed & Seed initiated a Teen Court Program in partnership with the City of Brownsville, BISD, Cameron County Justice of the Peace Courts, and the Cameron County Young Lawyer's Association. The goal is to lower juvenile crime among first time offenders by having stricter punishments handed down for Class C misdemeanors. Teens from the community serve as the prosecutors, defense attorneys, jurors, bailiffs, and court personnel for the program. The Court heard its first cases on April 19th, with the Honorable Lynn Kirkpatrick, Assistant U.S. Attorney for the Southern District of Texas, presiding.

*The Newsletter is produced by the Programs Division of the U.S. Attorney's Office. Norma Estimbo Lacy, Public Affairs Specialist, organizes and edits; Celia Ramirez, Graduate Intern, Sam Houston State University, designs page layout and graphics. Assistant U.S. Attorney John Lenoir has overall editorial responsibility. For more information, comments, or suggestions on this newsletter contact [norma.lacy@usdoj.gov](mailto:norma.lacy@usdoj.gov)*



**U. S. Department of Justice  
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